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Message Text

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ORIGIN EB-08

INFO OCT-01 EA-10 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
STR-07 ITC-01 TRSE-00 USIA-06 SP-02 SOE-02 OMB-01
DOE-11 /115 R

DRAFTED BY EB/OT/GCP - R REIS
APPROVED BY EB/OT/GCP - J SLATTERY
STR - H LAWRENCE
COMMERCE - S ARLINGHAUS
COMMERCE - M SMITH
AGRICULTURE - R HARPER
EA/EP - M HENDERSON
----------016618 242029Z /43
R 240254Z FEB 78
FM SECSTATE WASHDC
TO AMEMBASSY MANILA
USMISSION GENEVA

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E.O. 11652: N/A

TAGS: ETRD, MTN, RP, US

SUBJECT: PHILIPPINES IN THE MTN

REF: MANILA 2270 B) MANILA 2865

1. THE US OFFER TABLED JANUARY 23 WAS A GLOBAL ONE AND WAS NOT DIVIDED BY COUNTRY. SUBSEQUENT ANALYSIS SHOWS THAT THE US OFFER INCLUDES CUTS ON 500 FIVE DIGIT TSUS INDUSTRIAL ITEMS WHICH THE PHILIPPINES EXPORTED TO THE UNITED STATES IN 1976. PHILIPPINE EXPORTS TO
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THE UNITED STATES OF THESE INDUSTRIAL ITEMS TOTALLED $293.2 MILLION IN 1976. THE TRADE WEIGHTED DEPTH OF US CUT ON THESE 500 ITEMS FROM THE PHILIPP-NES IS 39.2 PERCENT. THE US OFFER INCLUDED CUTS ON 29 AGRICULTURAL ITEMS WORTH $76.6 MILLION IN 1976. THE DEPTH OF CUT IN AGRICULTURAL ITEMS IS 60.3 PERCENT.

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2. IN ITS NOVEMBER 1 REQUEST, THE UNITED STATES ASKED FOR THE LOWERING OF THE HIGHER BASE PRICE USED TO CALCULATE THE SALES TAX ON IMPORTS TO LEVEL COMPARABLE TO THAT APPLIED TO DOMESTIC PRODUCTS, THE ELIMINATION OF CONSULAR FORMALITIES, FOR TARIFF CUTS AND LIBERALIZATION OF LICENSING ON A NUMBER OF AGRICULTURAL PRODUCTS. IN ADDITION THE UNITED STATES ASKED FOR

IMPROVED MARKET ACCESS FOR A VARIETY OF 4 DIGIT BTN INDUSTRIAL PRODUCTS. THE UNITED STATES DESIRES TARIFF REDUCTIONS AND LIBERALIZATION OF DISCRETIONARY IM,ORT LICENSING WHERE THIS APPLIES. THE UNITED STATES IS REFINING THIS LIST INTO SPECIFIC 8 DIGIT REQUESTS AND EXPECTS TO SUBMIT IT TO THE PHILIPPINE DELEGATION IN GENEVA IN EARLY MARCH. THIS LIST IS A DISTILLATION OF THE BROADER 4 DIGIT CATEGORIES IN THE NOVEMBER 1 SUBMISSION AND CONTAINS FEW ADDITIONAL ITEMS TO THAT SUBMISSION.

3. WE RECOGNIZE THAT THE PHILIPPINES MAY HAVE A DIFFICULT TIME MEETING THE MARCH 1 DEADLINE. NONETHELESS, YOU SHOULD URGE PHILIPPINE OFFICIALS TO PREPARE AND SUBMIT THEIR OFFER AS SOON AS POSSIBLE SINCE THE JULY 15 DEADLINE FOR THE COMPLETION OF THE MTN DOES NOT LEAVE MUCH TIME FOR NEGOTIATION.

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4. FOR GENEVA PLEASE CABLE THE TEXT OF THE DECEMBER 16 US SOLICITATION OF S AND D REQUESTS TO MANILA.

5. REGARDING MANILA 2865, WE REGRET THAT WE GAVE EMBASSY WRONG IMPRESSION IN STATE 33133. WHILE 1976 AVE ON COCONUT OIL IS 5.8 PERCENT AND OFFER WE MADE WAS TO REDUCE DUTY ONLY TO 2.3 PERCENT, WE DO HAVE THE AUTHORITY TO REDUCE COCONUT OIL TO ZERO. THIS IS DUE TO THE FACT THAT COCONUT OIL WAS INCLUDED ON ORIGINAL USITC LIST OF PRODUCTS WITH AVES OF LESS THAN 5 PERCENT AND THUS IS ELIGIBLE FOR REDUCTION TO ZERO. AS EMBASSY AWARE, PRODUCT HAS LONG NEGOTIATING HISTORY IN MTN TROPICAL PRODUCTS AND BILATERAL NEGOTIATIONS. US OFFER ON COCONUT OIL IS CONDITIONED ON PHILIPPINES MEETING CERTAIN REQUESTS MADE BY US IN THESE NEGOTIATIONS. OF COURSE, THESE REQUESTS WILL ALSO BE REITERATED IN COURSE OF ONGOING NEGOTIATIONS IN GENEVA. VANCE

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NNN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LESS DEVELOPED COUNTRIES, TRADE AGREEMENTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: R REIS
Enclosure: n/a
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Film Number: D780086-0775
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780215/aaaaamqp.tel
Line Count: 112
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Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b4ba38d0-c288-dd11-92da-001cc4696bcc
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Review Content Flags:
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